Servus Place Quarterly Report

Third Quarter 2011

(Un-Audited)

Servus Place Quarterly Report
Third Quarter 2011

City of St. Albert
Servus Credit Union Place
Income Statement of Revenue and Expenditures (Un-Audited)
For the Period Beginning July 1, 2011 to September 30, 2011

	2011 Q3 Actual	2011 Q3 Budget	2011 Q3 Variance	2011 YTD Actual	2011 YTD Budget	2011 YTD Variance	2011 Revised Budget	2011 YE Forecast*
Memberships	$ 556,602	$ 527,000	$ 29,602	$ 1,894,225	$ 1,846,000	$ 48,225	$ 2,426,300	$ 2,485,000
Admission Fees	259,329	301,900	(42,571)	861,297	950,700	(89,403)	1,270,500	1,180,500
Lesson Fees	257,006	271,400	(14,394)	704,485	647,600	56,885	834,200	904,200
Rentals - Facility	301,575	319,300	(17,725)	1,104,408	1,083,600	20,808	1,537,500	1,547,500
Advertising/Sponsorship	140,424	144,400	(3,976)	416,568	411,000	5,568	554,200	560,000
Sale of Goods (Commission & Vending)	13,756	19,100	(5,344)	57,307	64,300	(6,993)	184,300	150,300
Miscellaneous Revenue	2,095	-	2,095	23,915	-	23,915	13,800	43,800
Total Revenue	$ 1,530,787	$ 1,583,100	$ (52,313)	$ 5,062,205	$ 5,003,200	$ 59,005	$ 6,820,800	$ 6,871,300
Personnel Costs	$ 1,008,514	$ 1,133,700	$ (125,186)	$ 3,016,060	$ 3,309,900	$ (293,840)	$ 4,439,700	$ 4,159,700
Contracted & General Services	176,730	207,300	(30,570)	496,126	539,400	(43,274)	763,000	773,000
Utilities	178,389	194,500	(16,111)	677,115	611,600	65,515	827,700	958,000
Materials, Goods & Supplies	95,123	105,300	(10,177)	294,032	318,600	(24,568)	454,100	454,100
Transfer to Reserves	9,020	10,500	(1,480)	37,091	37,600	(509)	51,500	51,500
Transfer to Operations - Aquatics	181,213	197,600	(16,387)	573,633	564,400	9,233	756,800	756,800
Transfer to Operations - Public Works	140,855	179,700	(38,845)	495,451	546,300	(50,849)	732,600	732,600
Total Expenditure	$ 1,789,844	$ 2,028,600	$ (238,756)	$ 5,589,508	$ 5,927,800	$ (338,292)	$ 8,025,400	$ 7,885,700
Net Surplus (Deficit)	$ (259,057)	$ (445,500)	$ 186,443	$ (527,303)	$ (924,600)	$ 397,297	$(1,204,600)	$ (1,014,400)
Recovery Rate	86%	78%		91%	84%		85%	87%
Cost Centre 3171 (from Recreation)								
Total Revenue	$ 86,311	$ 89,400	$ (3,089)	$ 328,311	$ 315,900	$ 12,411	$ 479,900	$ 479,900
Total Expenses	33,857	33,600	257	102,476	103,600	(1,124)	137,600	137,600
Operating Surplus (Deficit)	$ 52,454	$ 55,800	$ (3,346)	$ 225,835	$ 212,300	$ 13,535	$ 342,300	$ 342,300
Total Operating Surplus (Deficit)	$ (206,603)	$ (389,700)	$ 183,097	$ (301,468)	$ (712,300)	$ 410,832	$ (862,300)	$ (672,100)

* Forecast as of August 2011. For more detailed information on the 2011 Forecast, please see page 39 of this document.

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Department Overview – Quarter 3 – 2011

The Servus Place deficit for the third quarter (Q3) 2011 is $259,057. The recovery rate for the third quarter is 86%.

2011 Quarterly Forecast was completed in August and submitted to the CPS General Manager. The Servus Place Business Plan, Strategic Plan and all Project Charters and Business Cases were updated to reflect any changes that were made through the SLT review process.

Revenue Analysis

Total revenue for Q3 2011 is $1,530,787 against a budget of $1,583,100. Total revenue variance for Q3 2011 is $52,313 (-3.3%) below budget projections. Servus Place is beginning to see a slow down in revenue growth as the facility begins to hit thresholds in members and users.

- Memberships are above budget projections by $29,602 (5.6%).
- Admission Fees are below budget projections by $42,571 (-14.1%).
- Lesson Fees are below budget projections by $14,394 (-5.3%).
- Rentals - Facility are below budget projections by $17,725 (-5.6%)
- Advertising/Sponsorship is below budget projections by $3,976 (-2.8%)
- Sale of Goods (Commission & Vending) is below budget projections by $5,344 (-28.0%)
- Miscellaneous Revenue is above budget projections by $2,095

The trend of slightly higher than budgeted membership revenues is anticipated to continue throughout the year. The increase in membership revenue may be contributing to the decrease in admission fee revenue with a conversion of the paid pass users to membership.

Lesson fees are slightly lower than budget in Q3 due to lower than anticipated summer camp registrations but is anticipated to end the year above budget due to an increase in demand for both fitness programs and fitness services.

Facility rental revenue is over budget primarily due to use of the parking lot by CTEC Motorcycle Training School throughout July, August and September. Use by CTEC will continue until October, resulting in higher than anticipated meeting room rental revenue at year end.

Commission and vending revenue is currently under budget due to lower than anticipate locker and vending commission revenue. This account is anticipated to end the year under budget.

The year to date revenue is above budget by $59,005 (1.2%).

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Expense Analysis

Total expenses for Q3 2011 are $1,789,844 against a budget of $2,028,600. Total expense variance for Q3 was $238,756 (-11.8%) below budget projections.

* Personnel Costs are below budget projections by $125,186 (-11.0%).
* Contracted & General Services are below budget projections by $30,570 (-14.7%).
* Utilities are below budget projections by $16,111 (-8.3%).
* Materials, Goods & Supplies are below budget projections by $10,177 (-9.7%).
* Transfer to Reserves is below budget by $1,480 (-14.1%).
* Transfer to Operations - Aquatics is below budget projections by $16,387 (-8.3%).
* Transfer to Operations - Public Works is below budget projections by $38,845 (-21.6%).

Personnel costs are lower than budgeted due to staff vacancies as well as lower than anticipated enrollment in programs resulting in a reduction in the required number of casual hours.

Contracted and general services is substantially under budget for the quarter but is anticipated to come in over for 2011. Several initiatives planned in Q3 will be carried out in Q4.

Although the Q3 actuals for utilities are under budget, these numbers are based on estimates due to the timing of the billing cycles. Actual charges are anticipated to come in above budget for year end.

Materials, goods and supplies are below budget for the quarter but will end the year on budget. This variance is due to timing of initiatives in operating supplies, uniforms and equipment, and bank charges.

Transfer to Aquatics and Public Works are both under budget for Q3 but will end the year on budget.

Year to date expenses are under budget by $338,292 (5.7%).

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Guest Services

Q3 saw lower than budgeted day admissions but memberships achieved slightly higher numbers than were budgeted. The Family category achieved the highest increase, and there was a notable increase in the Senior category for this quarter.

The Guest Services Associate – Host & Monitors was moved from Operations to Guest Services in order to continually improve the operational efficiencies of the facility. Working under the Guest Services Coordinator, this position spends approximately 80% of the time on the floor and 20% performing administration tasks, which has allowed increased opportunities for coaching, mentoring and direct supervision for their casual staff team. This move has also allowed for casual staff resources to be saved by having this permanent staff member on the floor for approximately 24 hours per week.

Membership

Memberships	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	2011 YTD Actual	2011 YTD Budget	2011 YTD Variance
Adult	2,535	2,681	2,594	2,376	218	2,934	2,775	160
Child	601	470	332	406	-74	370	474	-104
Family	1,836	2,095	2,240	1,739	502	2,297	2,030	267
Senior	509	604	628	580	49	741	677	64
Student	422	485	386	406	-19	439	474	-34
Youth	371	356	322	290	32	345	338	6
Total Members	**6,275**	**6,691**	**6,503**	**5,795**	**707**	**7,127**	**6,768**	**358**
Total Paid Membership Units	4,826	5,037	4,733	4,427	306	5,314	5,170	144
Corporate Memberships	1,876	2,070	1,841			1,952		
Membership Revenue	**$512,837**	**$567,118**	**$556,602**	**$ 527,000**	**$ 29,602**	**$1,894,225**	**$1,846,000**	**$ 48,225**

Membership revenue for Q3 2011 is $556,602 which is 5.6% above budget. It is expected that this trend of slightly higher than budgeted membership revenues will continue until the end of the year based on the increases in the Family membership category, which also has the highest membership rate.

Membership totals are slightly higher than plan for the quarter which has been the trend throughout all of 2011. The child membership category continues to be lower than anticipated however the family category has experienced strong growth and has seen the largest category increase. There has also been stronger than anticipated Adult and Senior membership growth for the quarter.

In Q1 2011, the average Servus Place member used the facility 5.1 times. In Q2, it was 3.9 and in Q3 on average, each member used the facility 3.5 times per month. The increasing number of annual members ensures that although the average number of uses fluctuates month to month, the revenue received from these memberships is steady throughout the year.

There were 1,841 corporate members in Q3 2011. The corporate members in Q3 2011 make up 28.3% of the total members.

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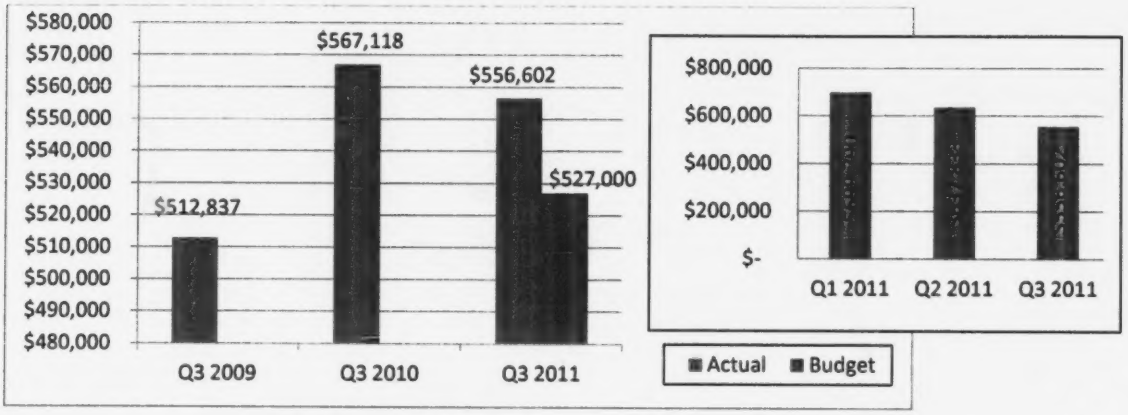
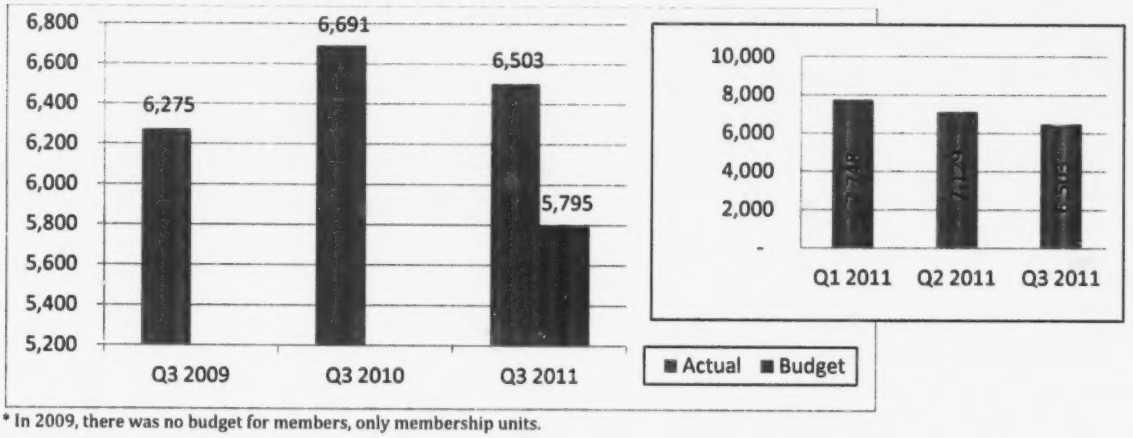
Membership Revenue



The 2011 budget is based on a blended rate of $39.68. The actual blended rate for Q3 2011 is $39.20. The Q3 blended rate is slightly below budget but $1.67 over the blended rate for Q3 2010 ($37.53). The blended rate has increased over previous years due to increases in the higher value family and adult membership categories as well as slight fee increases.

Total Members



* In 2009, there was no budget for members, only membership units.

In Q3 2011, there was an average of 6,503 members per month, which is 12.2% above budget. Actual members for Q3 2011 were above budget due to the increase in the family membership category.

The average number of family membership units per month for Q3 2011 is 471, which equates to 4.8 individual members per family membership unit.

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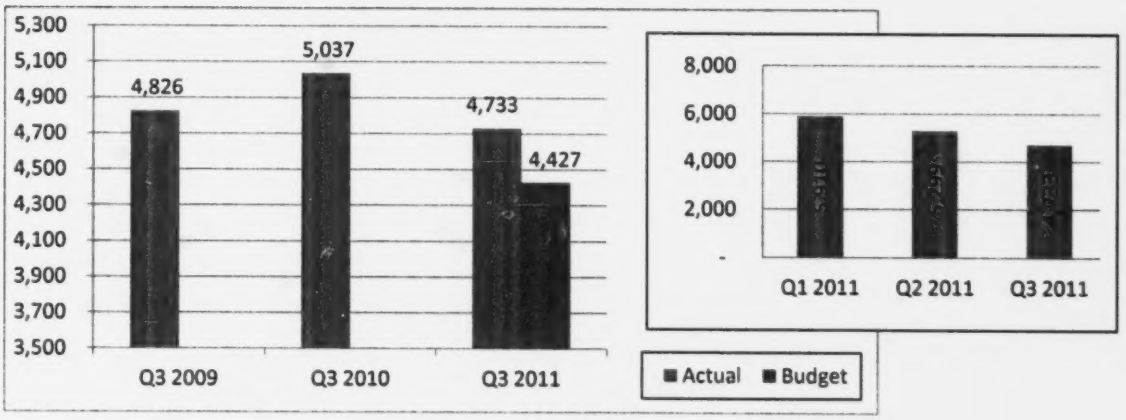
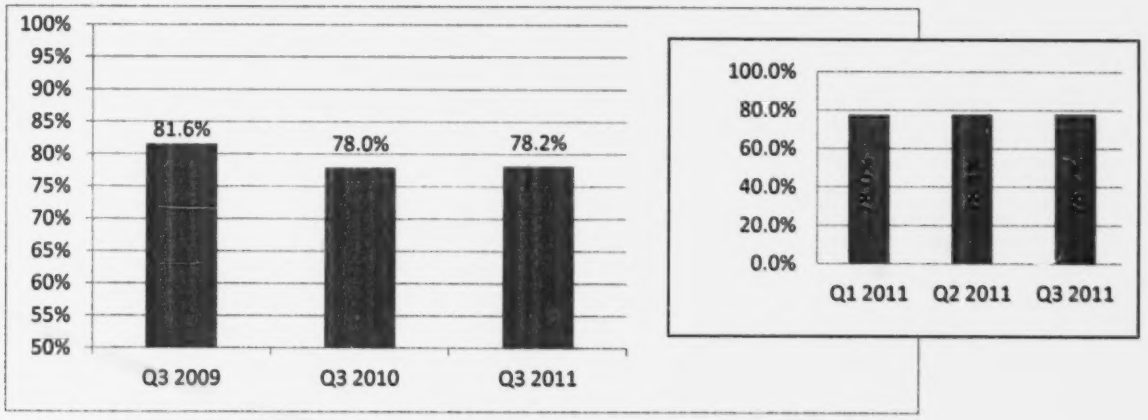
Membership Units



Membership units for Q3 2011 are 4,733 which are 6.9% above budget but slightly lower than Q3 2010.

Percentage of Members who are St. Albert Residents



In Q3 2011, the average percentage of members who are St. Albert residents is 78.2%.

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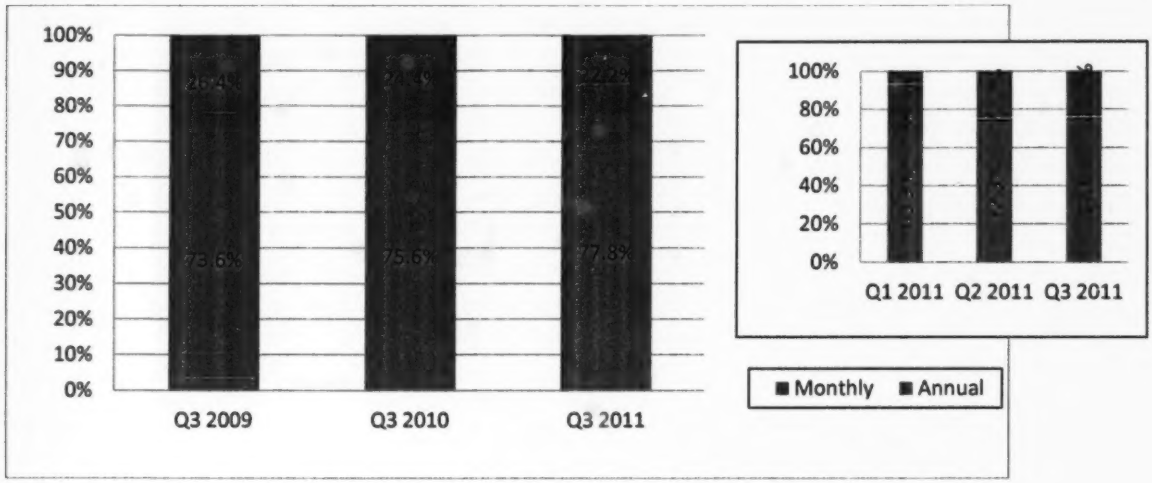
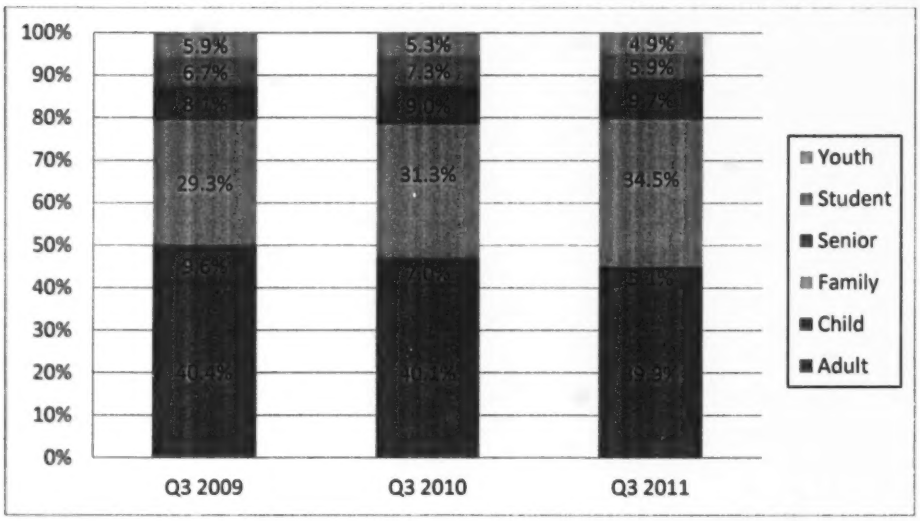
Members by Type



In Q3 2011, annual memberships accounted for 77.8% of the total memberships. This percentage of annual members continues to see increases since 2005. Annual membership totals are the key indicators of sustained monthly revenues throughout the entire year, specifically during the summer months when usage traditionally decreases.

Members by Demographic



In Q3 2011, the demographic breakdown of members illustrates the shift from individual memberships to family memberships. Since Q3 2010, there has been a 3.2% increase in the number of family members and a correlating decrease in the number of youth (-0.4%), student (-1.4%), child (-1.9%) and adult (-0.2%) memberships. There has been a slight increase in the percentage of senior members (0.7%)

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Day Admissions

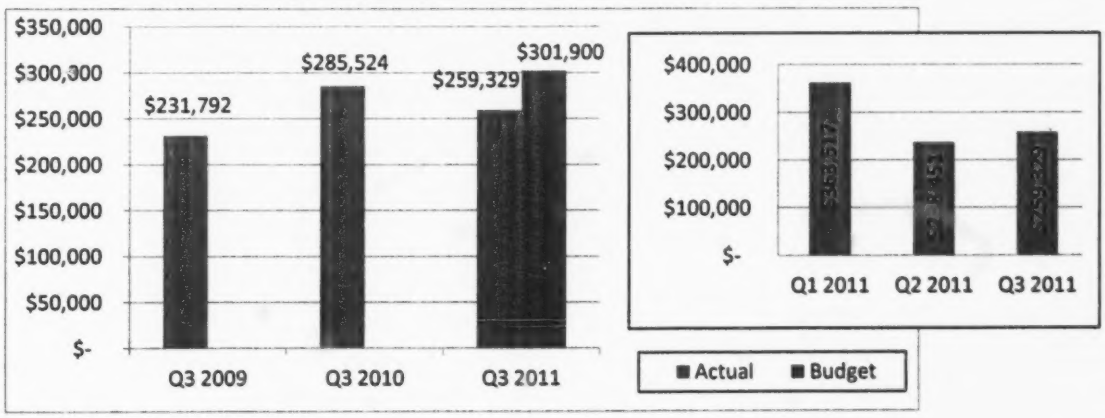
Day Admissions	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	2011 YTD Actual	2011 YTD Budget	2011 YTD Variance
Adult	9,359	11,050	10,068	11,485	-1,417	35,265	35,891	-626
Child	12,776	15,799	13,384	15,932	-2,548	43,621	49,786	-6,165
Family	3,298	4,350	3,451	4,445	-994	10,660	13,894	-3,234
Senior	838	776	876	742	134	2,613	2,317	296
Youth	3,219	4,318	3,924	4,445	-521	13,887	13,894	-7
Total Paid Pass Units	29,490	36,293	31,703	37,049	-5,346	106,046	115,782	-9,736
Total Membership Swipes	64,758	75,927	68,494			271,369		
Total Day Uses	94,248	112,220	100,197			377,415		
Total Paid Passes			43,110			140,157		
Total Complimentary Passes	1,729	1,582	1,475			4,515		
Paid Pass Revenue	$ 223,334	$ 277,252	$ 248,356	$ 293,400	$ (45,044)	$ 822,853	$ 919,200	$(96,347)
Childminding Revenue	$ 7,220	$ 8,272	$ 10,139	$ 7,000	$ 3,139	$ 36,195	$ 28,800	$ 7,395
Community Drop-In Program Rev	$ 1,238	$ -	$ 834	$ 1,500	$ (666)	$ 2,249	$ 2,700	$ (451)
Total Admission Fees Revenue	**$231,792**	**$285,524**	**$259,329**	**$301,900**	**$(42,571)**	**$ 861,297**	**$ 950,700**	**$(89,403)**

Paid pass revenue is $259,329, which is 14.1% below budget. The day admission revenue variance is due to lower than anticipated admission totals. This trend has remained constant and is expected to continue for the duration of 2011. This decrease may be contributing to the slight increases in membership totals with a conversion of these individuals to regular membership access.

For Q3 2011, one family paid pass unit equates to 4.3 paid passes. Paid passes are the number of individuals who access the facility.

Weather has historically had some influence on facility usage trends. The above seasonal temperature in August and September could have attributed to a decrease in facility traffic.

Total Admission Fees Revenue

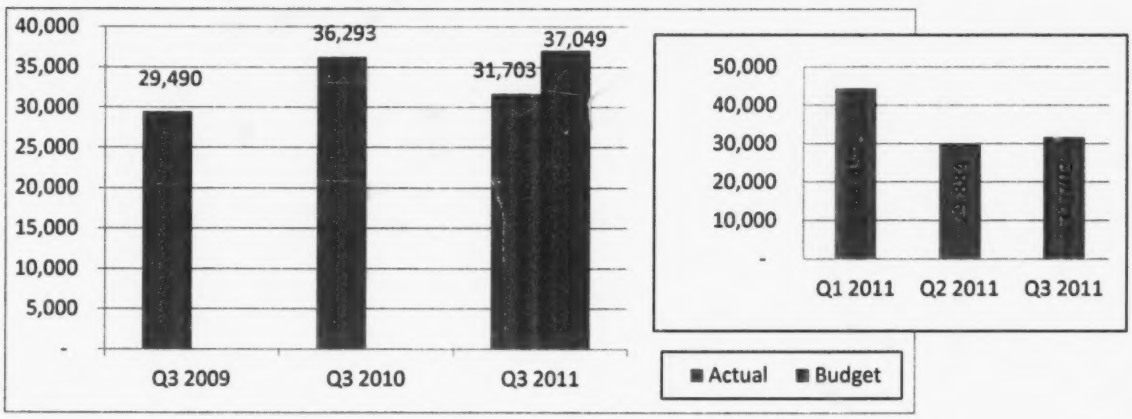


Servus Place Day Admissions – Postal Code Breakdown for Q3 2011

Servus Place Day Admissions Postal Code Breakdown**	Q3 2009	Q3 2010	Q3 2011
Edmonton	25%	20%	18%
Morinville	4%	2%	3%
Not provided	15%	4%	2%
Outside Alberta	1%	1%	1%
St. Albert	46%	65%	68%
Sturgeon	1%	1%	1%
Other Areas of Alberta*	8%	6%	7%
Total	100%	100%	100%

* Other areas of Alberta includes Stony Plain, Fort Saskatchewan, Sherwood Park, Spruce Grove and various locations around Alberta.
**Servus Place began collecting postal code information for day passes sold in May of 2009.

Paid Day Pass Units



In Q3 2011 total paid day pass units are 31,703, which is 14.4% below budget. This variance is due in part to the five day closure of the Landrex Water Play Centre while the Air Handling Unit #6 was replaced. Day admission revenues for the week of the shutdown (September 26 to October 2) were 67% lower than the previous week.

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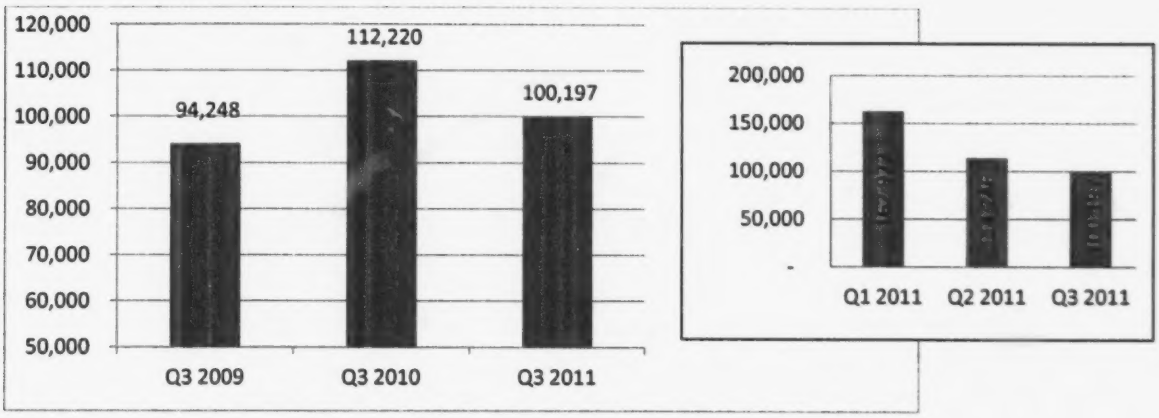
Total Day Uses



Total paid day uses include both membership swipes and paid pass units. For Q3 2011, there were 100,197 day uses, which a 10.7% decrease from Q3 2010.

In Q3 2011, the average number of paid day admissions was 1,089 per day. The highest admission days in Q3 were July 10-12. This Sunday to Tuesday period accommodated over 5,500 day uses.

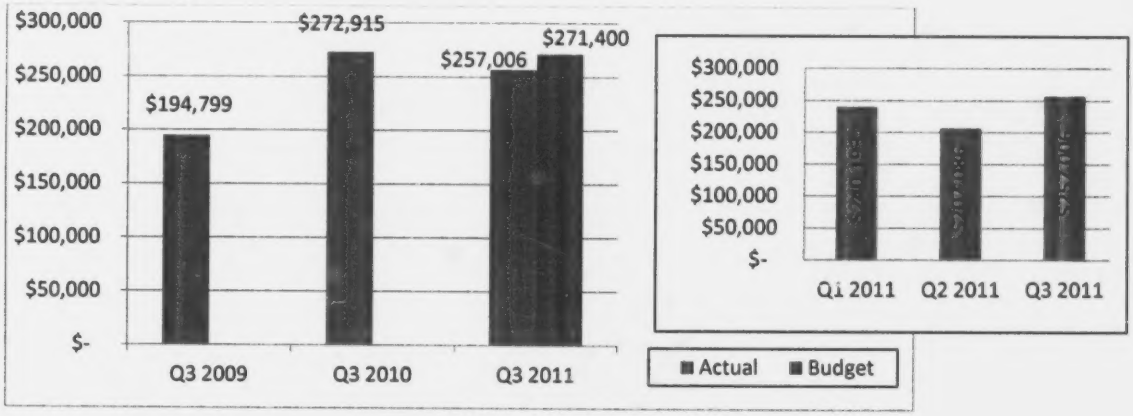
Lesson Fees

Lesson Fees	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Fitness	$ 74,384	$ 99,607	$ 95,504	$ 87,600	$ 7,904	$ 445,926	$ 378,700	$ 67,226
Recreation	$ 120,415	$ 173,308	$ 161,502	$ 183,800	$ (22,298)	$ 258,559	$ 268,900	$ (10,341)
Net Revenue	**$ 194,799**	**$ 272,915**	**$ 257,006**	**$ 271,400**	**$ (14,394)**	**$ 704,485**	**$ 647,600**	**$ 56,885**

Lesson fee revenue is below budget for Q3 2011. A combination of increased fitness program registration and lower than anticipated summer camp registration in August, resulted in the Q3 variance. Lesson fees are anticipated to end the year above budget due to an increase in demand for both fitness programs and fitness services.

The variance between 2009 and 2010 recreation progam lesson fees is due to the fact that in 2010, all City run summer recreation programming was moved to Servus Place. Beginning in 2010, revenue and expenses for these programs was recognized in the Servus Place budget, whereas in 2009, it was recorded under a separate cost centre.

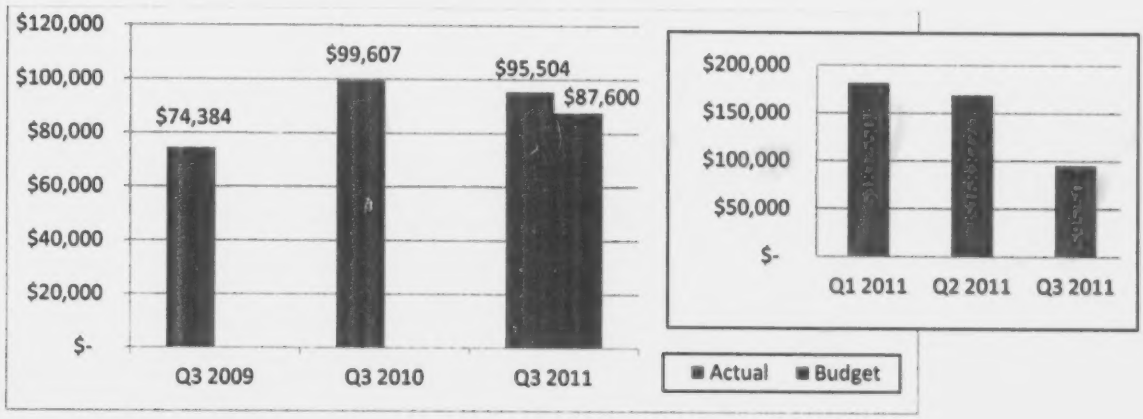
Lesson Fees Revenue



Fitness

In Q3 2011 fitness program revenue is $95,504 which is 9.0% above budget. Fitness program revenue variance can be attributed to strong fitness services and dry land training services.

Fitness Program Revenue



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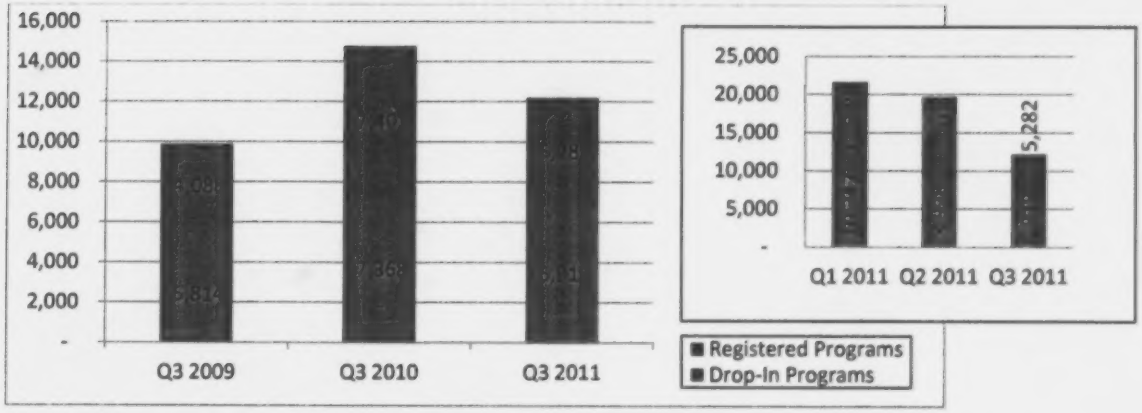
Fitness Program Participants



Fitness services and dry land training services are very strong in Q3, these services bring in revenue, but they are not calculated under the program participants reflected in the chart above.

The new "Tabata" program premiered this fall and is running at 100% capacity. This program incorporates high intensity interval training for maximum results. "Yoga for Children" is also new this fall and invites children from ages 6 to 11 to participate in enhancing their flexibility, strength and coordination while helping concentration and creating a sense of calm and relaxation. New "Zumba Toning" was introduced to a full capacity. This combination of Zumba Latin dance moves along with the use of a toning bar, targets various muscles on the body while moving up a storm.

Servus Place worked with Shaw Cable to implement the province wide changes in the provision of cable into the cable delivery system at Servus Place. Vecima digital signal decrypter has been installed in the Fitness Centre to allow all 48 pieces of cardio equipment to receive the upgraded digital signal.

There were 347 drop-in programs in Q3, averaging 20 participants per class. Drop-in programs are included with membership or day admission to Servus Place and can be directly attributed to supporting the overall membership growth.

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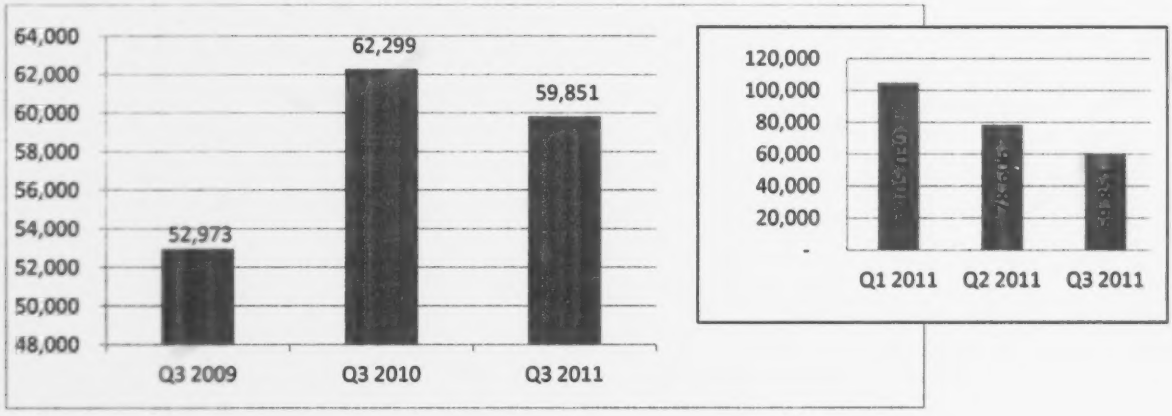
Fitness & Wellness Centre

Fitness & Wellness Centre	Q3 2008 Actual	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	YTD 2011 Actual
Fitness & Wellness Centre Users	45,164	52,973	62,299	59,851	243,496
Daily Average	492	577	680	650	903

In Q3 2011, there were 59,851 users of the Fitness & Wellness Centre. Fitness Centre shows a slight users show a 3.9% decrease from Q3 2010 but year to date Fitness Centre users are 1.1% over the same period in 2010 (240,614).

Fitness Centre Users



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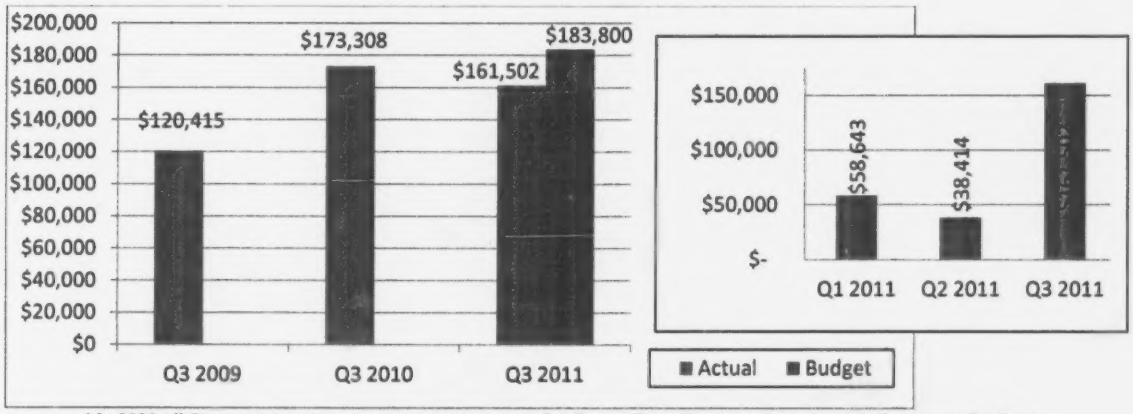
Recreation

Recreation program revenue for Q3 2011 is $161,502. The variance in Recreation program revenue is largely due to the lower than anticipated summer camp registration in August.

Recreation Program Revenue



* In 2009, all City run recreations programming was moved to Servus Place. However, the revenue and expenses for these programs has only been recognized as part of the Servus Place since 2010, thusly, 2009 is not an accurate comparison for recreation program revenue.

Servus Place and Community Summer Camps

Summer 2011 camp participation was down in registered programs offered at Servus Place but up in community programs. Overall recreation summer programs including Servus Place and community had a total of 4,893 participants throughout the entire summer session including half day, full day and preschool camps for a 71% fill rate.

Cruisin' Clubhouse operated (even through the rain and the mosquitoes) at 10 sites for 30 program hours each week throughout St. Albert in July and August. There were approximately 4,400 participants in the Cruisin Clubhouse throughout the summer.

Servus Place Recreation partnered with the St. Albert Tennis Club for the first time in providing recreational tennis day camp programs and FPRC in offering day camps that also provided swimming lessons at Grosvenor Park Pool.

Recreation summer camps have piloted the use of electronic evaluations instead of the traditional paper evaluations. Over 300 recreation summer program participants completed their program survey via Survey Monkey. This is a 28% return rate as compared to 18% in 2010 while utilizing only paper surveys. Feedback was immediate and gave a great opportunity to be proactive in increasing the participant satisfaction for the following week.

Fifty two "Leaders In Training " (LIT) were trained and provided a approximately 1250 volunteer hours of camper staff supervision support for camps throughout July and August.

Five summer programmers and five LITs supported the City of St. Albert Canada Day celebration at Lion's and Millennium Parks by providing recreation games and crafts.

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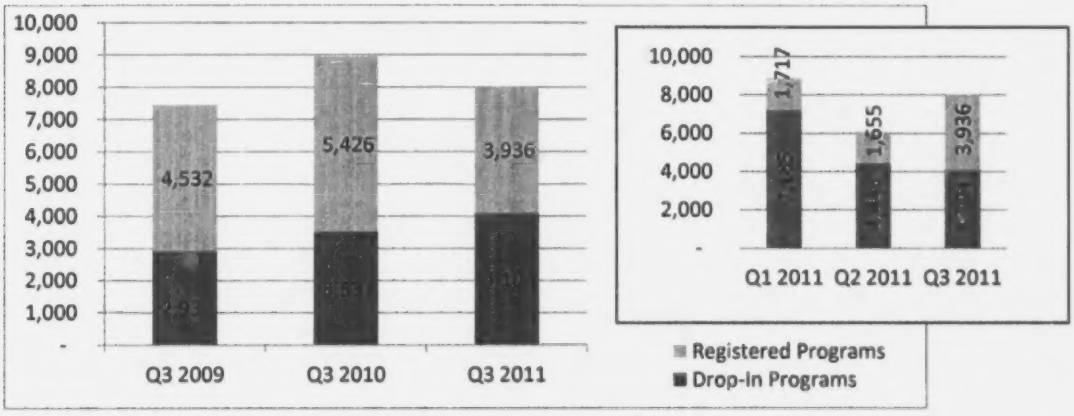
Servus Place Recreation Programs

Adult dodgeball was introduced this fall and is running at 100% capacity. All Preschool programs including the Active Kids Preschool continue to see very strong participation numbers.

Child minding participation experienced a decrease during the summer months but September participation saw the anticipated increase as the fall program session began. This trending was expected with the quarterly average of 705 children per month.

Participants in Servus Place Recreation Programs



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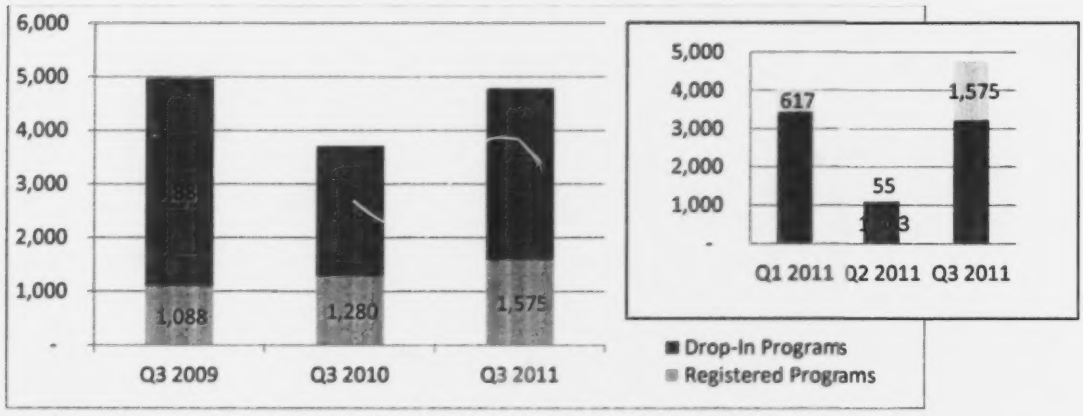
Community Recreation Programs

The third quarter of 2011 saw good participation in all community based registered preschool and swim camp combo camps over the summer. Fall community preschool programs located at both Akinsdale and Lacombe clubhouses also continue to provide quality community programs to strong participant totals.

Participants in Community Recreation Programs



Servus Place Quarterly Report
Third Quarter 2011

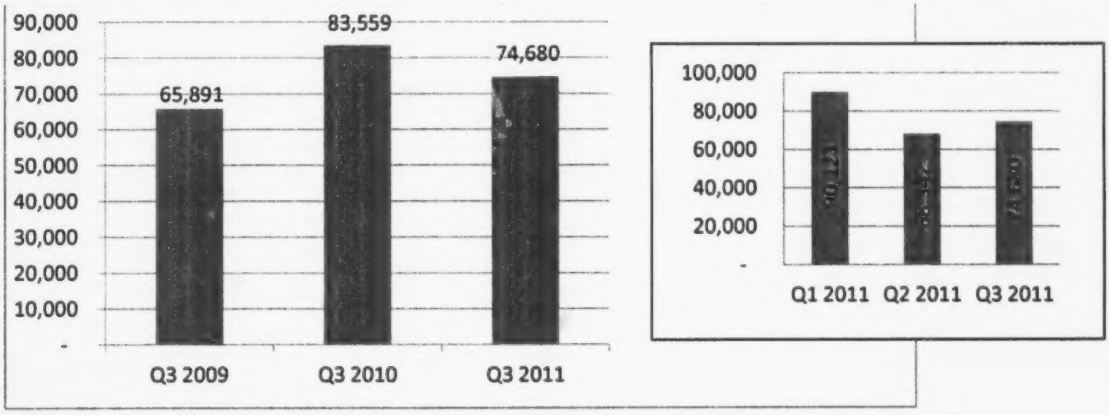
Aquatics

Landrex Water Play Centre Use	Q3 2008 Actual	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	YTD 2011 Total
Water Play Centre Users	63,073	65,891	83,559	74,680	233,143
Daily Average	2,052	715	907	847	891
Servus Place Annual Member Swipes at FPRC	6,426	5,439	5,943	6,421	18,484
Servus Place Annual Member Swipes at Grosvenor	1,686	1,082	980	1,254	1,309
Total	**8,112**	**6,521**	**6,923**	**7,675**	**19,793**

In Q3 2011, there were 74,680 users of the Landrex Water Play Centre (LWPC). The highest attendance days were July 10 and 12 and September 18 (Celebration of Play).

The Landrex Water Play Centre was closed from September 26-30 to accommodate the repairs to Air Handling Unit #6. This repair was accommodated with minimal disruption to users.

Water Play Park Users

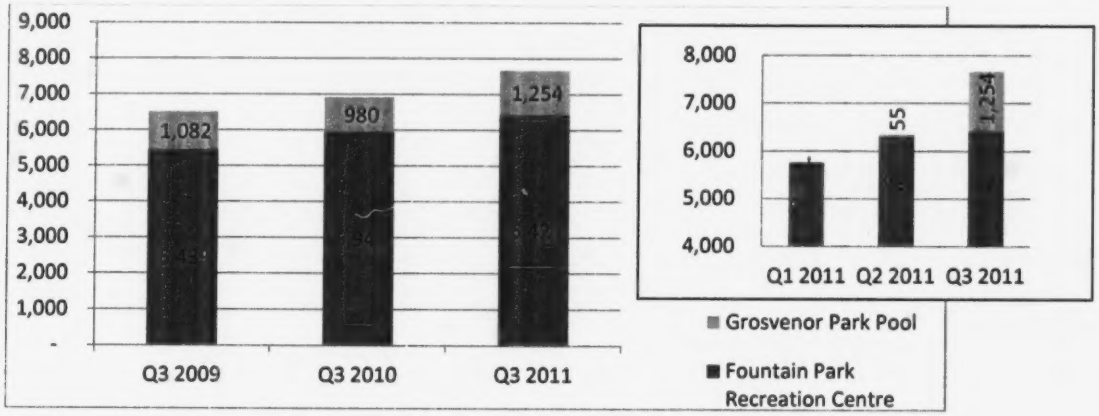


This decrease in users in Q3 2011 as compared to Q3 2010 can be attributed in part to the temporary closure of the LWPC while Air Handling Unit #6 was repaired. The week before the shut down (September 18-24) had 4,304 users in the LWPC.

The impact of the one week closure of the Landrex Water Play Centre reflects the importance of this amenity in the overall operation of the facility.

Servus Place Quarterly Report
Third Quarter 2011

Servus Place Annual Member Swipes at Fountain Park Recreation Centre and Grosvenor Park Pool



In Q3 2011, member uses were recorded at 6,421 at Fountain Park Recreation Centre and uses at Grosvenor Park Pool were 1,254. Both numbers are substantial increases over Q3 2010.

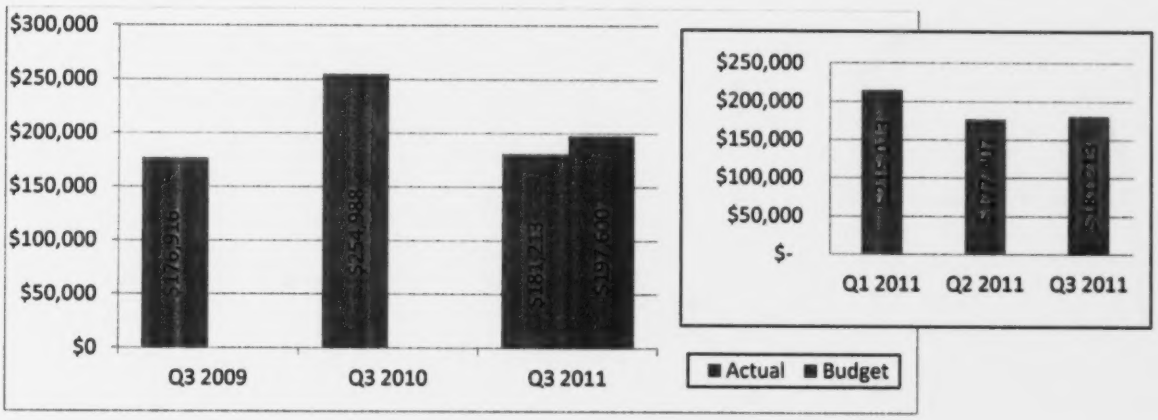
The increase in the number of Servus Place users at FPRC also corresponds with the fact that during the closure for the AHU#6 replacement, monthly members were granted access to FPRC. During the five day closure, 507 Servus Place members, both annual and monthly, accessed Fountain Park Recreation Centre.

Aquatics Internal Contracts

Aquatics Internal Contracts	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
	$ 176,916	$ 254,988	$ 181,213	$ 197,600	$ (16,387)	$ 573,633	$ 564,400	$ 9,233

Aquatics internal contracts are slightly under budget for Q3. This variance can be partially attributed to the five day closure of the Landrex Water Play Centre while the Air Handling Unit #6 was repaired. Aquatics internal contracts are currently projecting to be on budget at the end of the year.

Aquatics Internal Contracts



Servus Place Quarterly Report
Third Quarter 2011

Booking & Events

Booking & Events has worked with Business & Marketing on the design of an online event request form which has been added to the website. This form will ensure that specific information is gathered prior to the initial contact with the customer to streamline efficiencies.

Q3 Events

- First Nations Hockey School - July 11-15
- 150th Anniversary Homecoming Registration - July 16
- Roller Derby - St. Albert vs. Saskatoon - July 23
- Edmonton Oilers Hockey School - July 25-29
- Edmonton Oilers Hockey School – August 1-12
- Roller Derby – August 13
- Steel Hockey School – August 15-19
- Steel Exhibition Games – August 26 and 30, September 3, 16, 23 and 27
- WHL - Edmonton Oil Kings Pre –Season Hockey Tournament – September 4-5
- St. Albert Heavenly Rollers – Roller Derby – September 10
- Servus Place Celebration of Play – September 18
- Furniture Show – September 23-25

The Celebration of Play was held on September 18 from 1:00PM – 4:00PM and experienced good participation by the public. This event offered guests, members and patrons an opportunity to see all that Servus Place has to offer. This event included a fitness challenge, facility tours, many different drop-in recreation activities and membership information, to name a few of the activities. Each of the Servus Place business partners also participated with free samples from Skybox Grill and Booster Juice, "fit" challenge from Dynamic Sports Physiotherapy, a storewide sale from Source for Sports and St. Albert Steel info.

Facility Rental Revenue	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	2011 YTD Variance
Arenas	$ 211,724	$ 181,311	$ 192,760	$ 212,000	$ (19,240)	$ 615,089	$ 626,400	$ (11,311)
Fieldhouses	$ 18,997	$ 14,375	$ 28,027	$ 21,030	$ 6,997	$ 181,875	$ 176,865	$ 5,010
Gymnasiums	$ 1,684	$ (1,122)	$ 1,930	$ 4,440	$ (2,510)	$ 24,577	$ 21,980	$ 2,597
Meeting rooms	$ 11,532	$ 23,195	$ 20,150	$ 8,530	$ 11,620	$ 72,169	$ 30,085	$ 42,084
Leaseholders	$ 39,819	$ 52,573	$ 48,323	$ 60,000	$ (11,677)	$ 165,747	$ 180,000	$ (14,253)
Parties	$ 4,488	$ 2,263	$ 1,364	$ 4,300	$ (2,936)	$ 7,861	$ 12,170	$ (4,309)
Refurbishment Charges*	$ -	$ 7,872	$ 9,021	$ 9,000	$ 21	$ 37,092	$ 36,100	$ 992
Total	**$ 288,244**	**$ 280,467**	**$ 301,575**	**$ 319,300**	**$ (17,725)**	**$1,104,408**	**$1,083,600**	**$ 20,808**

* In 2009, refurbishment charges were not broken out separately but included in the rental revenue for each floorplate.

The variance in meeting room rental is due to additional revenue received for use of the parking lot by CTEC Motorcycle Training School throughout July, August and September. Use by CTEC will continue until October, resulting in higher than anticipated meeting room rental revenue at year end.

Servus Place Quarterly Report
Third Quarter 2011

Arena Rental

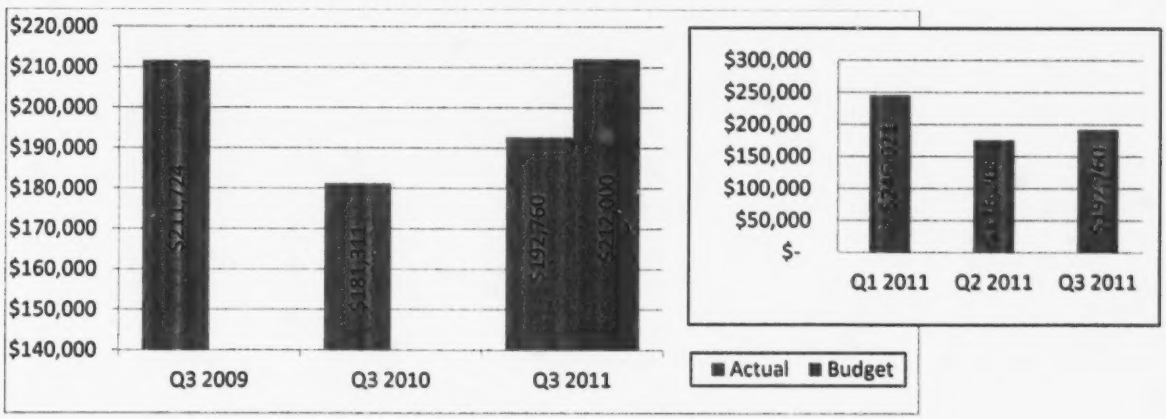
Arena	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	2011 YTD Variance
Hours rented	1,877	1,638	1,486	1,715	-229	5,441	5,750	-309
Hours programmed/maint.	204	772	970	770	200	3,279	2,245	1,034
Total hours used	2,081	2,410	2,455	2,485	-30	8,720	7,995	725
Total hours available	4,685	5,101	5,102	5,102	-1	15,138	14,687	451
% Utilized Total	**44%**	**47%**	**48%**	**49%**	**-1%**	**58%**	**54%**	**3%**
Prime time hours rented	1,101	993	847	1,025	-178	3,782	3,955	-174
Prime time Hours program/maint.	144	387	544	379	165	1,609	1,039	570
Prime time hours used	1,245	1,380	1,391	1,404	-13	5,391	4,994	397
Prime time hours available	2,588	2,535	2,535	2,535	0	7,547	7,534	13
% Utilized Prime Time	**48%**	**54%**	**55%**	**55%**	**-1%**	**71%**	**66%**	**5%**
Revenue	**$211,724**	**$181,311**	**$192,760**	**$212,000**	**$(19,240)**	**$ 615,089**	**$ 626,400**	**$(11,311)**

Booking & Events is slightly under budget for Q3 due to the impact of one week of July hockey school cancellation combined with the loss of ice in Troy Murray and Mark Messier Arenas from August 29 to September 9 to accommodate the installation of the new chiller and brine replacement.

The St. Albert Skating Wall of Fame was unveiled in the Performance Arena on September 5. Twenty-four inductees were honored for achieving national or professional accomplishments.

The increase in the number of programmed hours is primarily due to shinny being moved exclusively to Servus Place and no longer being programmed at Akinsdale or Kinex Arenas.

Arena Rental Revenue



Servus Place Quarterly Report
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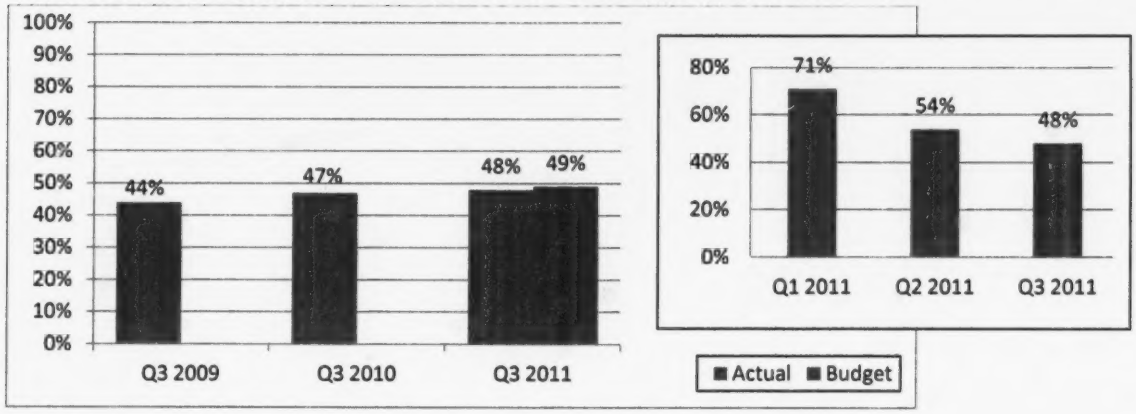
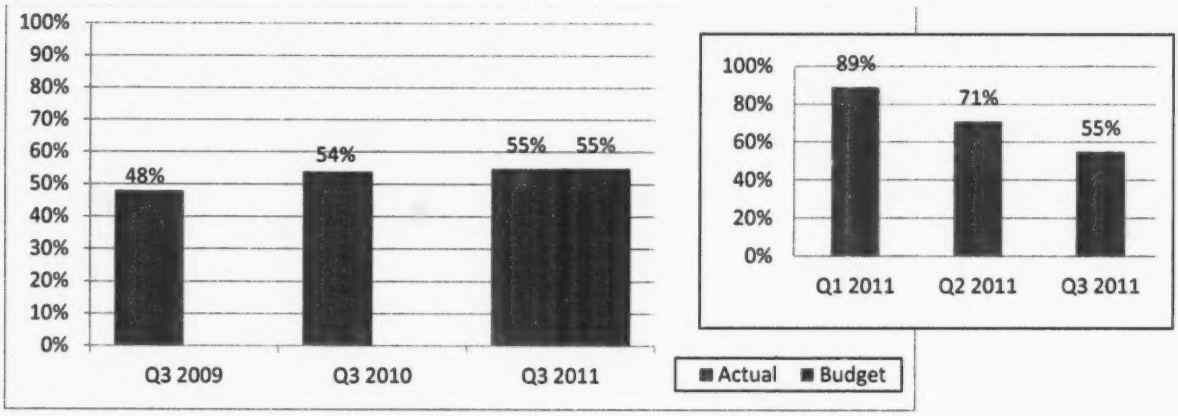
Arena Total Utilization



Arena Primetime Utilization



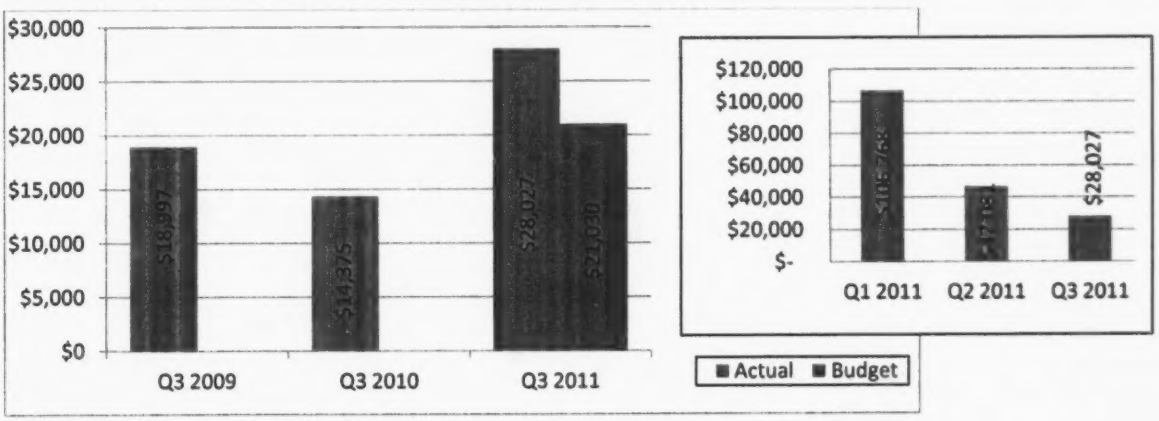
Servus Place Quarterly Report
Third Quarter 2011

Fieldhouses Rental

Fieldhouse	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	2011 YTD Variance
Hours rented	495	367	409	328	81	2,768	2,642	126
Hours programmed/maint.	723	541	614	650	-36	1,470	1,511	-41
Total hours used	1,218	908	1,023	978	45	4,239	4,153	85
Total hours available	3,107	3,229	3,349	3,156	193	9,912	9,261	651
% Utilized Total	**39%**	**28%**	**31%**	**31%**	**0%**	**43%**	**45%**	**-2%**
Prime time hours rented	226	193	178	246	-69	1,994	1,846	148
Prime time Hours program/maint.	309	149	142	46	97	495	540	-45
Total Prime time hours used	535	342	320	292	28	2,489	2,386	103
Prime time hours available	1,708	1,705	1,690	1,677	13	5,023	4,893	130
% Utilized Prime Time	**31%**	**20%**	**19%**	**17%**	**2%**	**50%**	**49%**	**1%**
Revenue	**$ 18,997**	**$ 14,375**	**$ 28,027**	**$ 21,030**	**$ 6,997**	**$181,875**	**$176,865**	**$ 5,010**

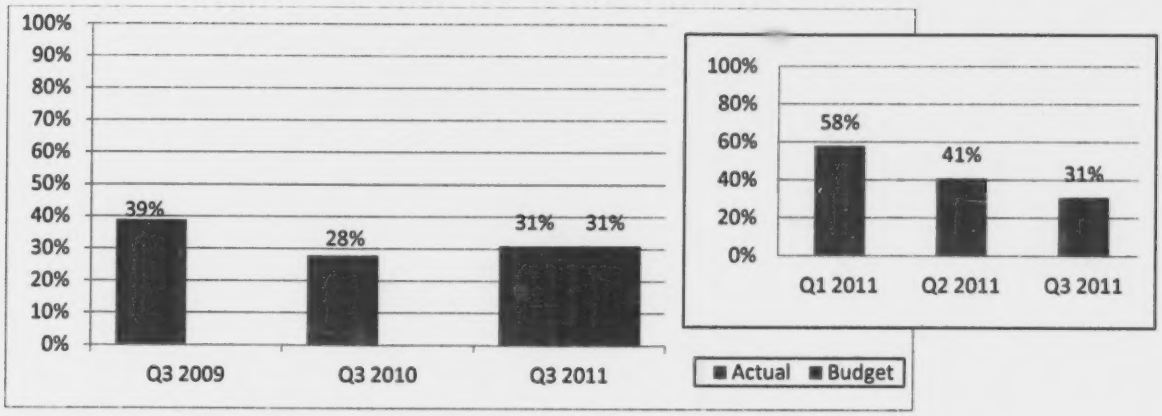
Fieldhouse revenues for the third quarter are above budget projections. Dry land training for hockey schools, Roller Derby and the Furniture Show all contributed to additional revenue generation.

Fieldhouse Rental Revenue

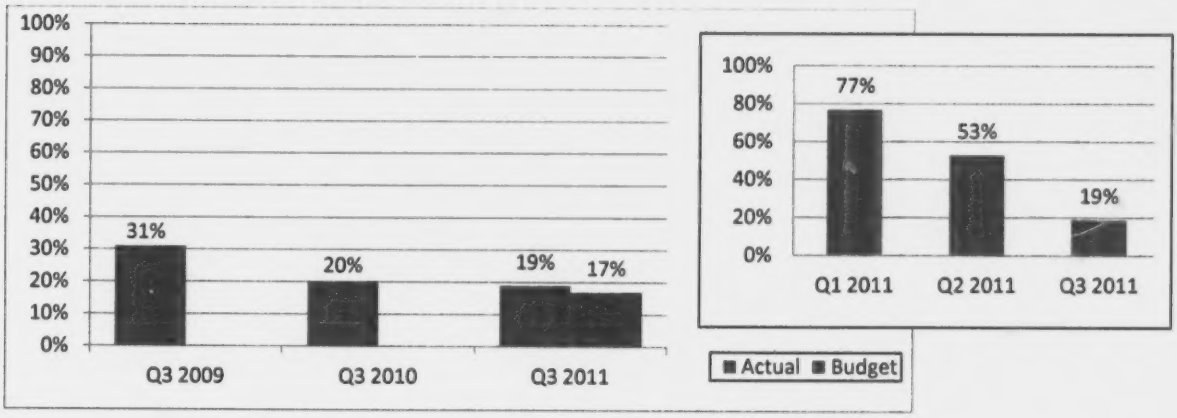


Servus Place Quarterly Report
Third Quarter 2011

Fieldhouse Total Utilization



Fieldhouse Primetime Utilization



Servus Place Quarterly Report
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Gymnasium Rental

Gymnasiums	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	2011 YTD Variance
Hours rented	33	147	50	101	-51	717	529	188
Hours programmed/maint.	1,195	1,064	1,163	1,016	147	2,910	2,968	-58
Hours of spontaneous use	1,454	2,012	1,914	1,088	826	6,216	3,136	3,080
Total hours used	2,682	3,223	3,126	2,205	921	9,843	6,633	3,210
Total hours available	4,363	4,614	4,614	3,156	1,458	13,689	9,156	4,533
% Utilized Total	**61%**	**70%**	**68%**	**70%**	**-2%**	**72%**	**72%**	**-1%**
Prime time hours rented	32	114	44	101	-57	512	529	-17
Prime time Hours program/maint.	516	449	333	681	-347	1,367	1,989	-621
Prime time hours of spont use	820	1,478	1,239	1,125	113	3,313	3,475	-163
Total Prime time hours used	1,368	2,040	1,616	1,907	-291	5,192	5,993	-801
Prime time hours available	2,459	2,890	2,358	2,709	-351	7,020	8,196	-1,176
% Utilized Prime Time	**56%**	**71%**	**69%**	**70%**	**-2%**	**74%**	**73%**	**1%**
Revenue	**$ 1,684**	**$ (1,122)**	**$ 1,930**	**$ 4,440**	**$ (2,510)**	**$ 24,577**	**$ 21,980**	**$ 2,597**

The variance in Q3 gymnasium rental revenue can be attributed to the loss of revenue from a regular event moving to an alternate facility. Gymnasium revenue is anticipated to end the year on budget.

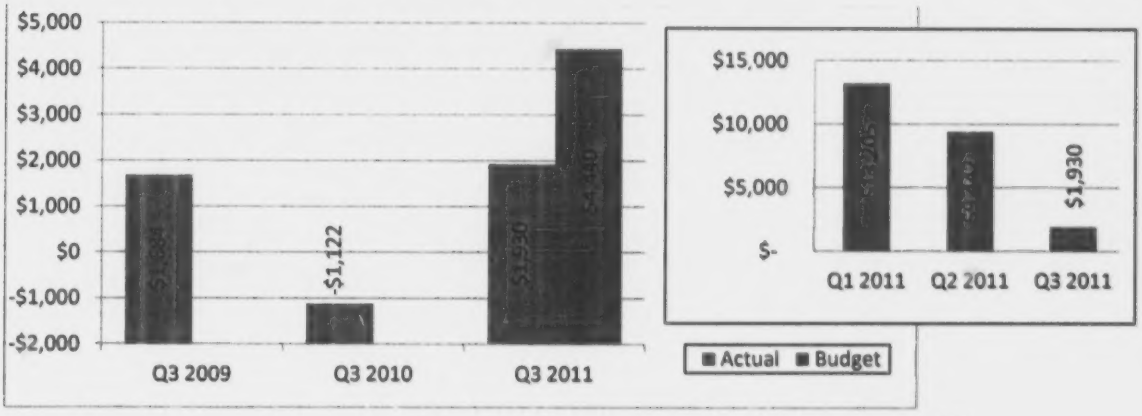
Although the gymnasium rental revenue is substantially below budget for the quarter, the utilization is very close to budget. This is due to the extensive use of the gymnasium courts for summer programs.

An additional basketball hoop was added to the gymnasium to accommodate the high level of use of the existing basketball hoops in the gymnasium by drop-in users.

Gymnasium rental revenue is limited due to the availability of only one court for booking and limited demand from groups. Gymnasium rental revenue is only received for rental hours. Programmed, maintenance and spontaneous use does not bring revenue directly into facility rentals. Revenue for these hours is realized under program revenue or viewed as a benefit of membership or day admission.

As membership and day admissions grow, there is increased use of the gymnasiums for drop-in and spontaneous activities. At times, use of all three courts is required for spontaneous use.

Gymnasium Rental Revenue



Servus Place Quarterly Report
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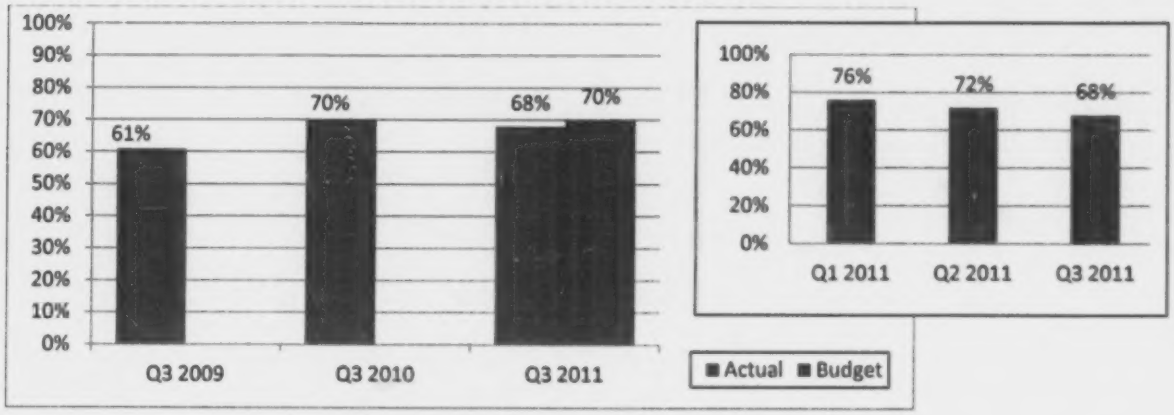
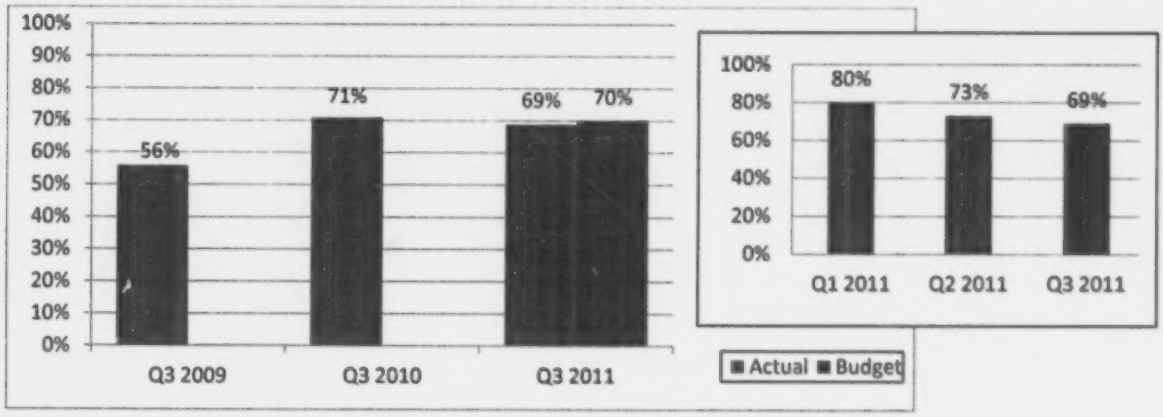
Gymnasium Total Utilization



Gymnasium Primetime Utilization



Servus Place Quarterly Report
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Business & Marketing

Council, working with Administration, completed a review of the current agreement with the St. Albert Steel. The City has affirmed its position with respect to the financial support to the team and is now awaiting a response from the team's ownership.

Business & Marketing developed the "Tell Us Your Story" advertising campaign in August. Ten stories were submitted by facility users and a photo shoot was completed with the selected participants, both of which will be used in the campaign which launched in September. Approximately 90% of Servus Place marketing picture stock are of actual members or staff.

On September 18, Servus Place launched a new revamped website. New features included:

- A scrolling bar at the top of the main page to keep users up-to-date with what's happening at Servus Place.
- The latest news is now called Special Notices. Anytime there is a change to facility hours, programs or special events it will be listed under this section.
- A bar on the right of pages that contains related downloads and links.

Servus Place also launched social media in Q3 with the creation of both a Facebook and Twitter account. These accounts will be continually updated with information such as events, programs, services and promotions.

Advertising, Fundraising and Sponsorship Inventory	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Total Spaces Sold	135	118	156	157	-1	146	154	-8
Total Complimentary Spaces	N/A	8	4	4	0	3	4	-1
Total Internal Spaces	N/A	10	4	8	-4	6	8	-2
Total Spaces Used	**135**	**136**	**163**	**169**	**-5**	**155**	**166**	**-11**
Total Space Available	197	204	208	204	4	207	204	3
% of Space Used	**68%**	**67%**	**79%**	**83%**	**-4%**	**75%**	**81%**	**-7%**

Q3 2011 Advertising Inventory

Advertising Fundraising and Sponsorship Inventory	Performance Arena	Mark Messier Arena	Troy Murray Arena	Sarasota fieldhouse	Pizza 73 fieldhouse	Community Gym	Information Boards	LCD Screens	Akinsdale Arena	Total
Total Spaces Sold	40	25	21	17	13	2	7	8	22	156
Total Complimentary Spaces	0	0	0	1	0	0	0	2	0	4
Total Internal Spaces	1	0	0	0	1	0	0	2	0	4
Total Spaces Used	**41**	**25**	**21**	**18**	**14**	**2**	**7**	**12**	**22**	**163**
Total Space Available	56	29	29	22	22	4	6	12	29	**208**
% of Space Sold	**74%**	**87%**	**72%**	**82%**	**64%**	**58%**	**117%**	**100%**	**76%**	**79%**

Servus Place Quarterly Report
Third Quarter 2011

Advertising, Fundraising and Sponsorship Revenue	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Advertising Revenue	$ 43,070	$ 35,436	$ 44,637	$ 44,500	$ 137	$ 134,375	$ 131,000	$ 3,375
Fundraising/Sponsorship	$ 94,900	$ 100,750	$ 95,787	$ 99,900	$ (4,113)	$ 282,193	$ 280,000	$ 2,193
Total Revenue	**$ 137,970**	**$ 136,186**	**$ 140,424**	**$ 144,400**	**$ (3,976)**	**$ 416,568**	**$ 411,000**	**$ 5,568**

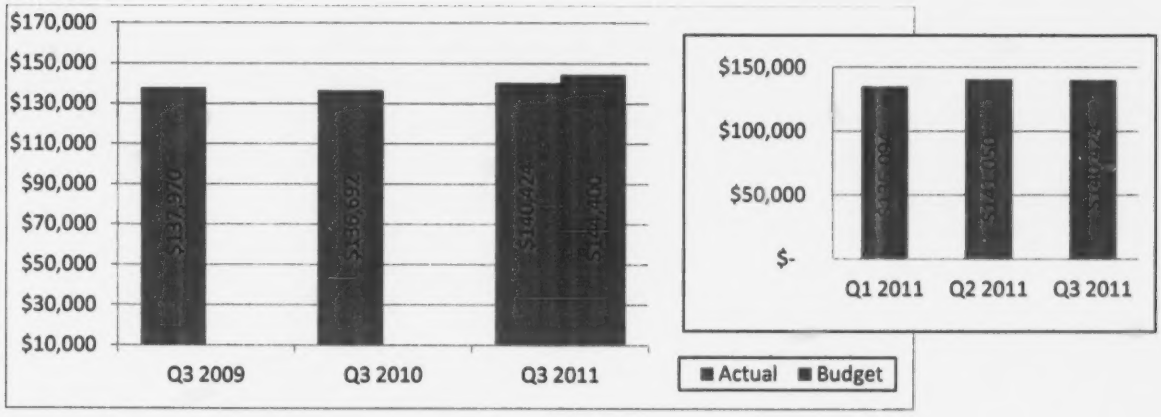
Q3 and YTD 2011 advertising and sponsorship revenue is slightly over budget.

There has been a steady growth in advertising throughout 2011 and this continues in the third quarter. Several new advertisers have been added with only a small reduction due to cancellations.

There has been a 32.2% increase in advertising spaces sold compared to Q3 2010 and a 26.0% increase in advertising revenue compared to Q3 2010.

The synergy between sponsorship and advertising continues to be productive in both areas with some of the new sponsors purchasing advertising to support their program. Swiss Chalet has signed on as an advertiser and as a sponsor for Seniors Day. Canadian Natural Resources renewed their sponsorship of the facility, becoming the naming sponsor of the Tournament Room and the Events Office.

Advertising and Sponsorship



Servus Place Quarterly Report
Third Quarter 2011

Retail

On July 4, Council approved the proposal for the City of St. Albert to operate a licensed Starbucks store in Servus Place. The Servus Place organizational structure was revised to include two FTE positions for Starbucks (Store Supervisor and Assistant Store Supervisor). The Starbucks Supervisor position has been filled and will be starting on October 11. Postings for all other positions went out September 16.

Skybox Express has vacated the downstairs concession space, and the Skybox Grill concession space was renovated as per the agreement.

An architectural firm has completed the detailed design drawings for the Starbucks store as per Starbucks specifications. All casework and Starbucks supplies ordered. POS system ordered and awaiting delivery. All timelines are on target.

Servus Place Quarterly Report
Third Quarter 2011

Operations

As per Council Motion #392-2011, Servus Place Operations worked in conjunction with Barr Ryder Architects, PCL Construction and Stantec Construction on the replacement of Air Handling Unit #6 in the Landrex Water Play Centre. The initial construction has been completed according to schedule with minimal disruption to service. The final balancing of the system will be continued in Q4 2011. The project is anticipated to come in slightly under budget.

Ice was removed and reinstalled in the Troy Murray and Mark Messier arenas after the completion of chiller replacement in August. Staff worked with contractors and user groups to ensure minimal disruption to service during the chiller replacement.

The Servus Place Lifecycle Plan was reviewed and planned projects were adjusted or deferred to cover the cost of Troy Murray Arena chiller replacement within the approved Lifecycle budget.

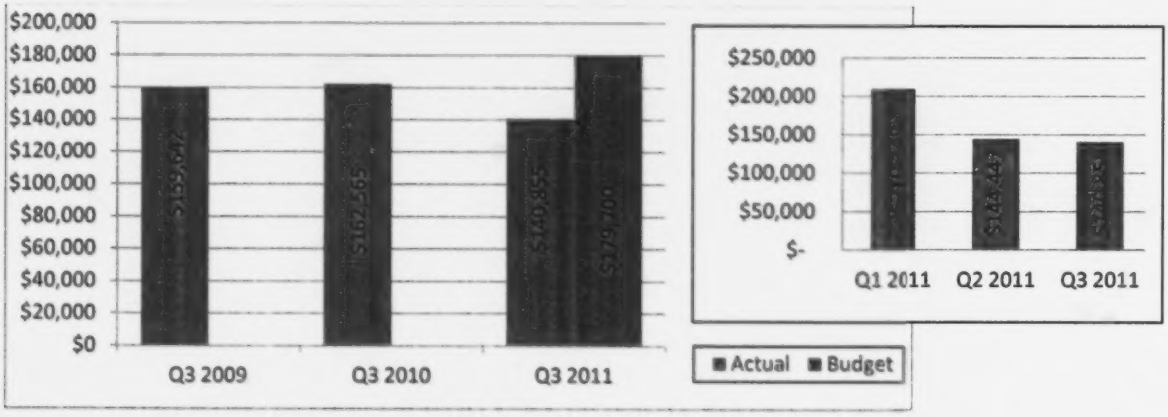
Operation staff also worked with contractors on the repair of a broken drain pipe in the Landrex Water Play Centre.

Public Works Internal Contracts

Public Works Internal Contracts	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
	$ 159,642	$ 162,565	$ 140,855	$ 179,700	$ (38,845)	$ 495,451	$ 546,300	$ (50,849)

The variance is due to timing of initiatives in Operations. Projects that were not carried out in Q3 will be completed in Q4 and public works internal contracts will end the year on budget.

Public Works Internal Contracts



Servus Place Quarterly Report
Third Quarter 2011

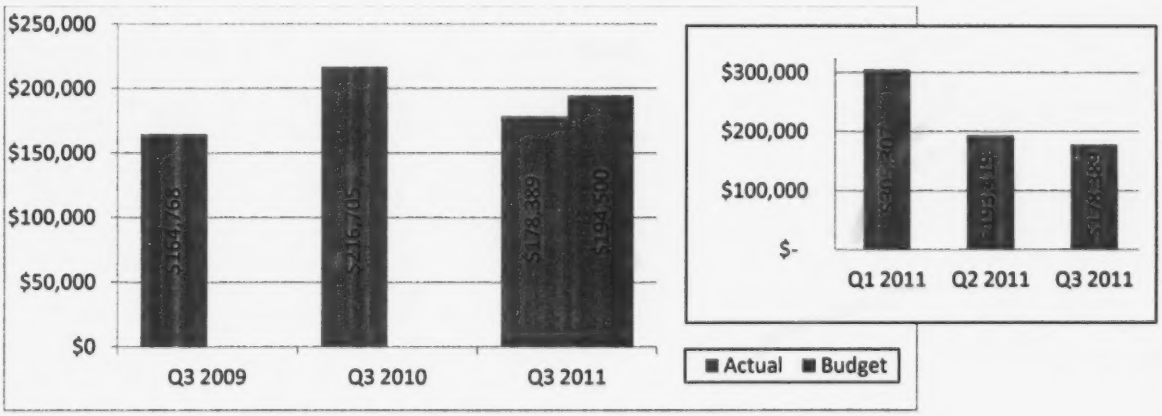
Utilities

Utilities	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Natural Gas	$ 26,402	$ 32,799	$ 38,308	$ 30,200	$ 8,108	$174,773	$168,300	$ 6,473
Water, Wastewater & Solid Waste	$ 15,751	$ 23,897	$ 23,543	$ 21,900	$ 1,643	$ 72,872	$ 68,200	$ 4,672
Electricity	$117,894	$156,578	$114,659	$139,000	$(24,341)	$421,621	$365,000	$ 56,621
Telephone and Cable	$ 4,721	$ 3,431	$ 1,879	$ 3,400	$ (1,521)	$ 7,849	$ 10,100	$ (2,251)
Total	**$164,768**	**$216,705**	**$178,389**	**$194,500**	**$(16,111)**	**$677,115**	**$611,600**	**$ 65,515**

The variance in the utilities is due to lower than anticipated electricity usage. Although the Q3 actuals for electricity are under budget, these numbers are based on estimates due to the timing of the billing cycles. Actual charges are anticipated to come in above budget for year end.

The 2011 utilities indicated above are based on estimates due to the delay between receiving the utility bills and the monthly reporting. When the bills are received all previously used estimates will be updated with the actual.

Utilities Expenses



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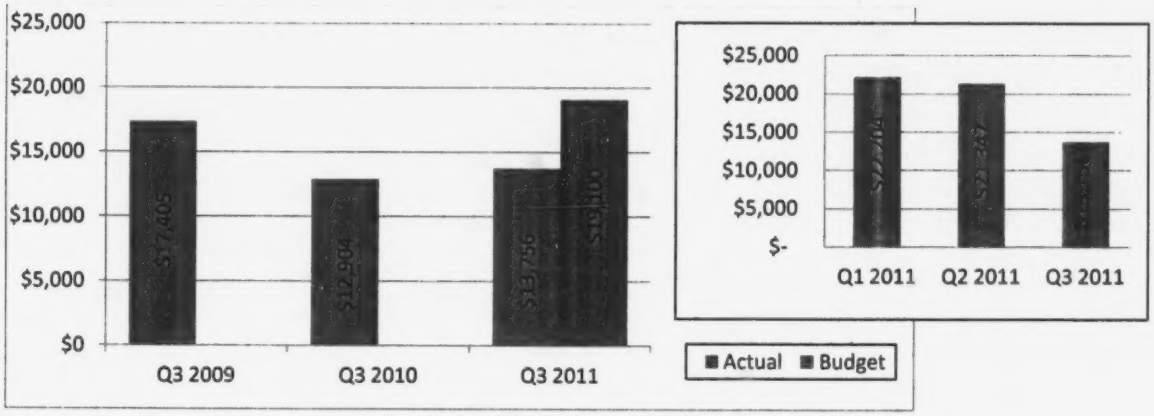
Commissions & Vending

Commissions and Vending	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Vending Commission	$ 11,526	$ 4,908	$ 6,209	$ 10,900	$ (4,691)	$ 30,490	$ 40,500	$ (10,010)
Locker Total Revenue	$ 4,885	$ 6,540	$ 6,395	$ 8,200	$ (1,805)	$ 21,069	$ 23,800	$ (2,731)
Guest Services	$ 542	$ 798	$ 675	$ -	$ 675	$ 4,150	$ -	$ 4,150
Miscellaneous	$ 451	$ 658	$ 477	$ -	$ 477	$ 1,598	$ -	$ 1,598
Total Revenue	**$ 17,405**	**$ 12,904**	**$ 13,756**	**$ 19,100**	**$ (5,344)**	**$ 57,307**	**$ 64,300**	**$ (6,993)**

Commissions and vending revenue is under budget for Q3 and YTD due to lower than anticipated vending commission revenue and locker revenue. The decrease in vending revenue has been seen since the opening of Skybox Grill and Express in early 2010. This trending has been taken into account in the 2012-2014 Operating Budget.

The current vending contracts expire within the next 12 months. Servus Place will begin to explore healthier vending options through the RFP process in early 2012.

Commissions & Vending Revenue



Personnel Costs

Personnel Costs	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Salary	$ 453,761	$ 486,789	$ 467,380	$ 520,300	$ (52,920)	$ 1,362,043	$ 1,540,100	$ (178,057)
Casual Wages	$ 369,993	$ 422,918	$ 405,910	$ 462,300	$ (56,390)	$ 1,254,915	$ 1,326,800	$ (71,885)
Total Salary & Casual Wages	**$ 823,754**	**$ 909,707**	**$ 873,290**	**$ 982,600**	**$(109,310)**	**$2,616,958**	**$2,866,900**	**$(249,942)**
Benefits	$ 129,524	$ 140,901	$ 135,224	$ 151,100	$ (15,876)	$ 399,102	$ 443,000	$ (43,898)
Total Personnel Costs	**$ 953,278**	**$1,050,608**	**$1,008,514**	**$1,133,700**	**$(125,186)**	**$3,016,060**	**$3,309,900**	**$(293,840)**

In-View time tracking software is being currently used in all business units for both permanent and casual staff resources. 100% of all casual staff are using both the electronic timesheets, biometric clock, as well as completing a parallel paper time sheet during this pilot program stage.

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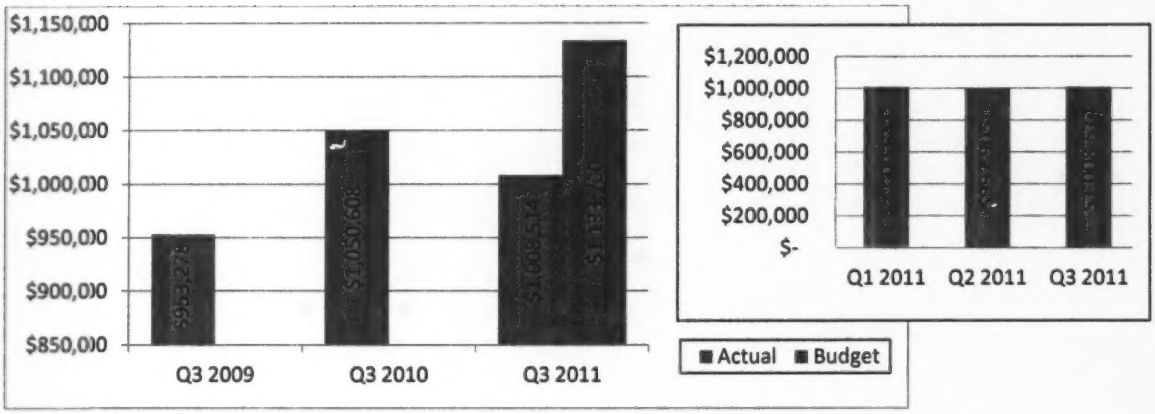
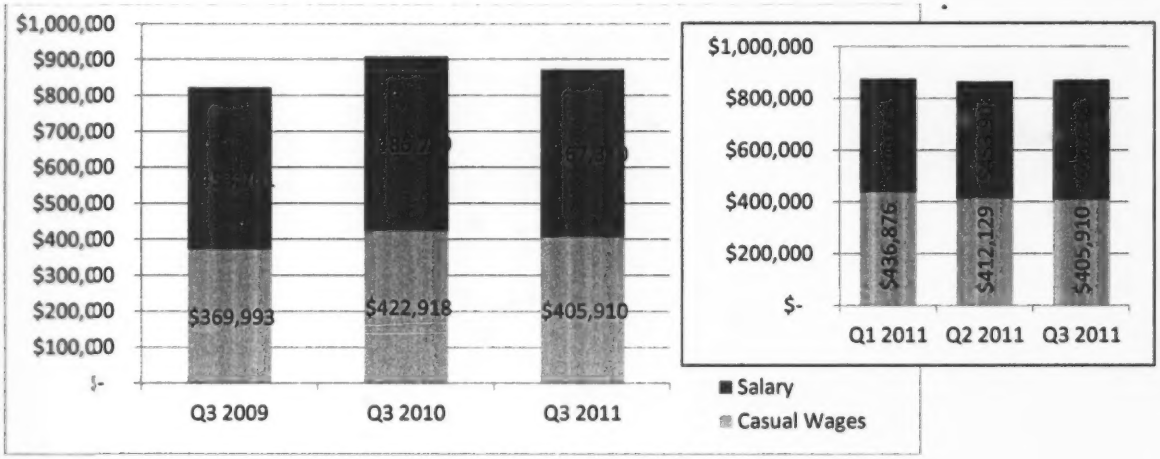
Personnel Costs



Salaries & Casual Wages



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Personnel by Cost Centre	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
Administration	$ 57,131	$ 63,320	$ 62,554	$ 62,700	$ (146)	$ 189,685	$ 187,000	$ 2,685
Operations	$ 215,538	$ 222,994	$ 189,521	$ 220,800	$ (31,279)	$ 570,223	$ 686,200	$ (115,977)
Recreation	$ 142,822	$ 167,942	$ 182,937	$ 207,200	$ (24,263)	$ 425,733	$ 477,900	$ (52,167)
Fitness	$ 157,712	$ 189,341	$ 175,847	$ 193,700	$ (17,853)	$ 622,339	$ 629,300	$ (6,961)
Business & Marketing	$ 49,887	$ 45,133	$ 53,368	$ 53,200	$ 168	$ 157,486	$ 159,000	$ (1,514)
Bookings and Events	$ 59,504	$ 60,699	$ 61,139	$ 69,400	$ (8,261)	$ 191,935	$ 211,000	$ (19,065)
Guest Services	$ 141,160	$ 160,278	$ 147,924	$ 169,000	$ (21,076)	$ 459,557	$ 509,900	$ (50,343)
Retail	$ -	$ -	$ -	$ 6,600	$ (6,600)	$ -	$ 6,600	$ (6,600)
Subtotal	**$ 823,754**	**$ 909,707**	**$ 873,290**	**$ 982,600**	**$(109,310)**	**$ 2,616,958**	**$ 2,866,900**	**$(249,942)**
Benefits	$ 129,524	$ 140,901	$ 135,224	$ 151,100	$ (15,876)	$ 399,102	$ 443,000	$ (43,898)
Total Personnel Costs	**$ 953,278**	**$ 1,050,608**	**$ 1,008,514**	**$ 1,133,700**	**$(125,186)**	**$ 3,016,060**	**$ 3,309,900**	**$(293,840)**

The Operations personnel cost variance is due to a combination of the Operations Coordinator not being filled until the end of July, the vacant Head Custodian position and shortages of custodial staff to fill shifts during staff vacations.

Personnel costs for recreation are lower than budgeted primarily due to lower than anticipated summer camp registrations for the month of August.

Lower than planned personnel costs for fitness are due to both slightly lower than planned summer program totals as well as casual staff vacancies leaving some regular shifts unfilled.

Booking & Events was under budget due to a combination of casual hours being left unfilled during staff holidays and reductions to casual hours based on workload.

Guest Services personnel cost savings are due to the vacant Guest Services Associate – Finance position and efficiencies in staffing requiring less casual hours. This trend has been consistent throughout 2011.

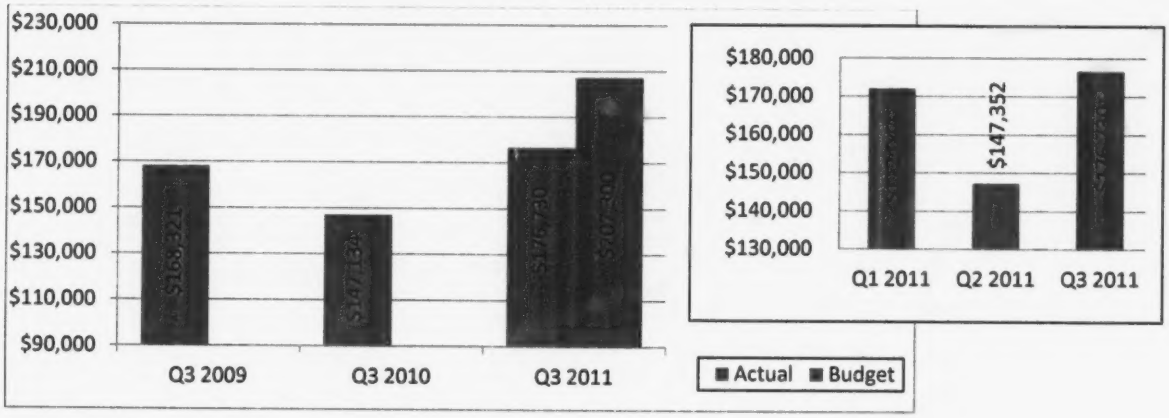
Retail personnel costs are under budget due to the Starbucks Store Supervisor and Assistant Supervisor positions not being hired for until Q4 2011. This area will end the year under budget in wages.

Contracted & General Services

Contracted & General Services	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
	$ 168,321	$ 147,134	$ 176,730	$ 207,300	$ (30,570)	$ 496,126	$ 539,400	$ (43,274)

The YTD variance in contracted and general services is due to timing of initiatives in advertising and promotions, development and training, contracted services - miscellaneous and insurance premiums. This account is anticipated to end the year slightly over budget due to additional security personnel required in the facility. Servus Place has found that with an increased security presence there has been a reduction in the number of thefts as well as, the presence of security during the day has provided added confidence in the membership and public users.

Contracted & General Services Expenses

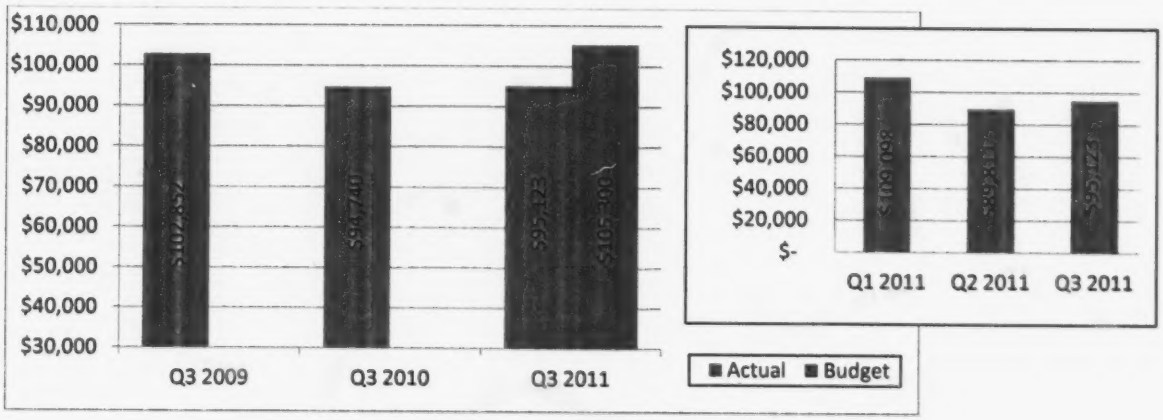


Materials, Goods & Supplies

Materials, Goods & Supplies	Q3 2009 Actual	Q3 2010 Actual	Q3 2011 Actual	Q3 2011 Budget	Q3 2011 Variance	YTD 2011 Actual	YTD 2011 Budget	YTD 2011 Variance
	$ 102,852	$ 94,740	$ 95,123	$ 105,300	$ (10,177)	$ 294,032	$ 318,600	$ (24,568)

Materials, goods and supplies are under budget primarily due to timing of initiatives in operating supplies, uniforms and equipment, and bank charges. This account is anticipated to end the year on budget.

Materials, Good & Supplies Expenses



2011 Forecast – Updated August 2011

	2011 Department Budget	*2011 Revised Budget Approved July 4, 2011	Variance Between Departmental Budget and Revised Budget	2011 Forecast - Updated August 2011	Variance Between Revised Budget and Forecast
Memberships	$ 2,426,300	$ 2,426,300	$ -	$ 2,485,000	$ 58,700
Admission Fees	1,270,500	1,270,500	-	1,180,500	(90,000)
Lesson Fees	834,200	834,200	-	904,200	70,000
Rentals - Facility	1,537,500	1,537,500	-	1,547,500	10,000
Advertising/Sponsorship	535,200	554,200	19,000	560,000	5,800
Sale of Goods (Commission & Vending)	85,200	184,300	99,100	150,300	(34,000)
Miscellaneous Revenue	13,800	13,800	-	43,800	30,000
Total Revenue	**$ 6,702,700**	**$ 6,820,800**	**$118,100**	**$ 6,871,300**	**$ 50,500**
Personnel Costs	$ 4,386,400	$ 4,439,700	$ 53,300	$ 4,159,700	$ (280,000)
Contracted & General Services	741,400	763,000	21,600	773,000	10,000
Utilities	827,700	827,700	-	958,000	130,300
Materials, Goods & Supplies	412,400	454,100	41,700	454,100	-
Transfer to Reserves	50,000	50,000	-	51,500	1,500
Transfer to Operations - Aquatics	756,800	756,800	-	756,800	-
Transfer to Operations - Public Works	732,600	732,600	-	732,600	-
Total Expenses	**$ 7,907,300**	**$ 8,023,900**	**$116,600**	**$ 7,885,700**	**$ (138,200)**
Operating Surplus (Deficit)	**$ (1,204,600)**	**$ (1,203,100)**	**$ 1,500**	**$ (1,014,400)**	**$ 188,700**
Recovery Rate	85%	85%	0%	87%	2%
Cost Centre 3171 (Community Recreation Facilities)					
Total Revenue	$ 479,900	$ 479,900	$ -	$ 479,900	$ -
Total Expenses	137,600	137,600	-	137,600	-
Operating Surplus (Deficit)	**$ 342,300**	**$ 342,300**	**$ -**	**$ 342,300**	**$ -**
Total Operating Surplus (Deficit)	**$ (862,300)**	**$ (860,800)**	**$ 1,500**	**$ (672,100)**	**$ 188,700**

*2011 Revised Budget which was approved July 4, 2011 includes the new retail cost centre 3192.

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Based on the Q3 financial information and analysis of trends, Servus Place is forecasting a year end net deficit of $1,014,400 against a budgeted deficit of $1,203,100 This is a decrease to the net deficit of $188,700 or (-15.7%), increasing the cost recovery by 2% to 87%.

- Memberships are anticipated to end the year over budget by $58,700. The forecast has been adjusted to reflect this increase. Day admissions are trending under budget and have been decreased by $90,000.
- Lesson fees have been adjusted by $70,000 to reflect increased participation in personal training services and fitness programs.
- There has been a decreased in leaseholder revenue due to renegotiation of lease agreements and an increase in rental revenues. These changes have resulted in an overall increase of $10,000 to facility rental revenue.
- A small increase of $5800 was made to the July 4 Revised Budget in advertising and sponsorship revenue due to higher than anticipated revenues.
- The decrease in Sale of Goods of $34,000 can be attributed to lower than anticipated locker revenue and vending commissions as well as changes to the Starbucks opening date from November 7 to November 25 due to delays in signing the Licensing Agreement.
- An adjustment of $30,000 has been made to miscellaneous revenue to account for recovered costs from events.

Adjustments to contracted and general services, personnel costs, utilities and transfer to reserves resulted in an increase on the expense side, while increases to membership, lesson fees, facility rental, advertising and sponsorship, and miscellaneous revenue improved the net deficit.

- Salaries have been decreased by $280,000 in the forecast to account for vacancies in different areas throughout the year and some decreases in wages due to decreased demand for recreation programs and vacation coverage.
- There has been an increase to contracted and general services of $10,000 to account for additional security personnel required in the facility. Servus Place has found that with an increased security presence there has been a reduction in the number of thefts as well as, the presence of security during the day has provided added confidence in the membership and public users.
- Utilities have been increase by $130,300 to account for higher than anticipated utility rates, primarily on electricity.
- Transfer to reserves was increased slightly to $1,500. This increase was made to adjust the corporate bottom line to zero after changes were made to the Servus Place 2011 Operating Budget - Revised July 4 to accommodate the Starbucks budget.

Overall, the department, including Servus Place and Community Recreation Facilities is forecasting a net deficit of $672,100 against a budget of $860,800, which equates to a reduction $188,700 (-21.9%) in the net deficit.